

**GOVERNMENT OF INDIA  
TEXTILES  
LOK SABHA**

UNSTARRED QUESTION NO:5382  
ANSWERED ON:28.04.2000  
NEW QUOTA POLICY  
PALANIYAPPA GOUNDER KUMARASAMY

**Will the Minister of TEXTILES be pleased to state:**

- (a) whether attention of the Government has been drawn to the news-item captioned 'Textile Industry disappointed' appearing in 'The Hindu' dated November 14, 1999;
- (b) if so, the facts of the matter reported therein; and
- (c) the reaction of the Government thereto ?

**Answer**

MINISTER OF STATE FOR TEXTILES

(SHRI GINGEE N. RAMACHANDRAN)

(a) Yes, Sir.

(b) & (c) The news item covers reactions of a certain section of garment exporters to the New Garments and Knitwears Export Entitlement (Quota) Policy 2000-2004 announced by the Government on November 12, 1999. The Government had set up a Task Force to make recommendations on the long term quota (export entitlement) distribution policies for a period of five years with effect from 1.1.2000 to 31.12.2004. The Task Force invited responses from Export Promotion Councils (EPCs), leading trade associations and federations on various aspects of the quota policies. The Task Force also conducted two Open House Sessions to interact with various exporters and the associations concerned at New Delhi and Mumbai. The Task Force considered the inputs from a wide range of sources before submitting the report. This report was taken into account while framing the New Quota Policy. Some of the important features of the new policy include, phased utilisation of quota; linking of quota for new investment with investment made in such new plant and machinery which meet the eligibility criterion of the Technology Upgradation Fund Scheme and making new investment quota entitlements non-transferable.